

NEWS RELEASE

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Public Service Commission Closes Book on Kemper

Approved agreement protects customers from failed technology; Mississippi Power Company rates to decrease

Jackson, Miss (February 6, 2018)- At its open meeting this Tuesday, the Public Service Commission unanimously voted to approve an agreement regarding Mississippi Power Company's Kemper County Power Plant bringing the lengthy contested proceeding to a close.

The settlement comes as a result of a Commission Order in June 2017, in which the Commission encouraged parties to reach a final solution to the case.

Commissioners stated that any proposal brought before them should result in no rate increase and preferably a rate decrease for residential customers. Additionally, Commissioners insisted that all risk be removed from ratepayers for the lignite coal related assets located at the facility. The agreement approved by the Commission meets both of these requirements, with a forthcoming compliance filing expected to decrease an average residential customer's bill by 2.4 percent or over \$3.00 per month.

To date, Mississippi Power has written off over \$6.4 billion on the project. As part of the agreement, the company will not ask to recover any of these losses from ratepayers now, or in the future. The Kemper County Power Plant will continue to produce electricity operating as a natural gas plant, as it has since 2014.

"Through strong Commission leadership we have protected the customers of Mississippi Power, lowered their rates and closed the book on this case. Since 2008,



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Commissioner Sam Britton, Southern District: (800) 961-5440

I have made it my mission to ensure that the public interest was fully protected in this case. I can now say that has been accomplished,” said Chairman Brandon Presley.

“Since being elected in 2015, it has been a top priority of mine to resolve Kemper and to ensure Mississippi Power customers are protected with the resolution of this case.” Southern District Commissioner Sam Britton said. “I’m proud of the work that was done to close the Kemper Case with this rate reduction for Mississippi Power customers. The people in South Mississippi have waited long enough.”

“We are pleased that this settlement agreement will result in a rate reduction for Mississippi Power customers,” said Central District Commissioner Cecil Brown. “We are also pleased that Mississippi Power Company customers have never paid, and pursuant to this agreement, will never pay for any of the costs of the failed gasifier.”

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